THE MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF GALVESTON HELD JUNE 12, 2008 - 5:30 P.M.

1. DECLARATION OF A QUORUM AND CALL MEETING TO ORDER.
2. MOMENT OF SILENCE: Dedicated to Roger Stone who gave his life to save two A&M Galveston students.

3. PLEDGE OF ALLEGIANCE
4. ROLL CALL: Present: Mayor Thomas, CM Mahoney, CM Beeton, MPT Weber; CM Colbert, CM Fennewald, CM Woods

5. DECLARATION OF CONFLICT
None

6. APPROVAL OF MINUTES
The Minutes of the Regular Meeting of May 22, 2008 were approved upon motion by CM Fennewald and second by MPT Weber. CM Colbert was not present on May 22, 2008 and did not vote.

7. PRESENTATIONS
A. Historical Overview of East End Flats by Harris L. Kempner, Jr.

8. COMMUNICATIONS AND PETITIONS
A. Notices of Claim: 08044-Gary & Deborah Schultze; 08045-Gracie Salinas; 08046-Gregory Roof; 08047-Melissa Kiser; 08049-Michael Fox; 08050-Stacy Windmiller; 08051-At&T (2212 Sydnor); 08052-Vincent Cotton

B. Texas Gas Service - Purchased Gas Adjustment Clause for June 2008
Weather Normalization Clause for April, 2008

C. Galveston Central Appraisal District- Proposed 2009 Operating Budget

9. ORDINANCES ASSOCIATED WITH PUBLIC HEARINGS
A. Consider for approval an Ordinance of the City of Galveston, Texas, abandoning an approximately 16,150 square foot portion of unimproved 69th Street right-of-way; adjacent property is legally described as "Lot 533 (533-8) and part of Lot 534 (534-5), of Trimble and Lindsey, Section 1, in the city and county of Galveston, Texas"; this property is more commonly described as "a 50' x 323' portion of 69th Street right-of-way, adjacent to 6828-6904 Broadway"; retaining rights of owners of utility facilities easements. (Planning Case No. 08P-39).

ORDINANCE NO. 08-030 was read by caption: ABANDONING AN APPROXIMATELY 16,150 SQUARE FOOT PORTION OF UNIMPROVED 69TH STREET RIGHT-OF-WAY. ADJACENT PROPERTY IS LEGALLY DESCRIBED AS “LOT 533 (533-8) AND PART OF LOT 534 (534-5), OF TRIMBLE AND LINDSEY, SECTION 1, IN THE CITY AND COUNTY OF GALVESTON, TEXAS”. THIS PROPERTY IS MORE

COMMONLY DESCRIBED AS “A 50" X 323' PORTION OF 69TH STREET RIGHT- OF-WAY, ADJACENT TO 6828-6904 BROADWAY”; RETAINING RIGHTS OF OWNERS OF UTILITY FACILITIES EASEMENTS; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TOT HE SUBJECT (PLANNING CASE 08P-39).

Mayor Thomas opened the PUBLIC HEARING.

There being no one to speak, the Public Hearing was closed.

MPT Weber moved approval. Second by CM Woods. Unanimously approved.

10. PUBLIC COMMENT

Billy Sullivan, 7 Evia Main, Sullivan Interests, 11.E, stated the Memorandum of Understanding can be adjusted, Section 5.04 and Section 6, and asked Council to consider changing items of the agreement and rescind it.

Mark Muhich, 11 Williamsburg Circle, Veterans committing suicide; problem with fire hydrant near his house at 69th and Heards Lane; value of nature, Cool Cities Program.

Steve Greenberg, 4800 Ft. Crockett, spoke regarding proposed Charter amendments.

Russ Mertens, 1402 Avenue N ½, stated it is not good to change actions of past Councils; bicycle registration should be voluntary; the Ethics Commission could function as Citizens Review Board.

Gerald Sullivan, 2 Colony Park Drive, spoke in favor of public and private partnerships.

Greg Harrington, President, Chamber of Commerce, spoke of support of the East End Flats Memorandum of Understanding.

George Prill, 20 Adler Circle, Chair of TIRZ 14, spoke in support of TIRZs.

Steve Schulz, 1 Moody Plaza, 18th Floor, Chair of TIRZ 12, gave the history of TIRZ 12.

Tofigh Sharizi, Developer of Beach Town, 406 E. Beach Dr., TIRZ 13, stated Beach Town is public.

Jeff Sjostrum, Galveston Economic Development Partnership, restated the support that the GEDP, over a number of years, has given for projects, processes and opportunities to grow Galveston’s employment and tax bases. The GEDP approved the use of Specific Use Permits regarding height and density. The GEDP Executive Committee supports Item 11.F pertaining to the Marquette development. The GEDP looks forward to working with the new Council.

John Sullivan, 6808 Driftwood Lane, spoke in support of the city and his nephews in the development of the East End Flats. He asked Council to not rescind the Memorandum of Understanding.

David Michael Smith, 633 Westwood Circle, LaMarque, Progressive Workers Organizing Committee, thanked CM Woods for his leadership concerning the Civilian Review Board.

Frank Incaprara, Director of Summer Band Concerts, invited everyone to the 80th Anniversary or the summer band concerts to be held June 17.

William Warnecke, 3414 Avenue N, spoke regarding problems with the police.

Jeff Deilson, 1808 Ave. P, Island Bicycle Co., spoke in support of bicycle registration.

Leon Phillips, Galveston County Coalition for Justice, spoke in support of the Civilian Review Board.

Matthew Erchull, 517 24th Street, spoke in favor of bicycle registration. Registration fees shou

Paula Jones, 4814 Alamo, encouraged review of all TIRZ and spoke in favor of a Citizens Review Board. Bicycle licenses should be optional and available at bike shops. Asked Council to reconsider the appointment of John Campbell as Municipal Court Judge.

Aaron Ausmus, 601 54th St., spoke opposing the Citizens Review Board. He stated very little that is positive about the police gets in the paper.
Richard Anderson, Falcon Group, Palisades Palms, TIRZ 11 Chair, spoke in support of TIRZ.

11. ORDINANCES, RESOLUTIONS AND PROCLAMATIONS

A. Consider for approval an Ordinance of the City of Galveston, Texas, amending Chapter 9, "Bicycles" of "The Code of the City of Galveston 1982, by amending the current bicycle registration and licensing requirements; authorizing bicycle shops to issue bicycle registration; clarifying existing language and adopting new definitions; providing that these changes are effective upon approval; providing for a penalty clause.

ORDINANCE NO. 08-031 was read by caption: AMENDING CHAPTER 9, “BICYCLES” OF “THE CODE OF THE CITY OF GALVESTON 1982, AS AMENDED” BY AMENDING THE CURRENT BICYCLE REGISTRATION AND LICENSING REQUIREMENTS, CLARIFYING EXISTING LANGUAGE AND ADOPTING NEW DEFINITIONS; AUTHORIZING BICYCLE SHOPS TO ISSUE BICYCLE REGISTRATIONS; PROVIDING THAT THESE CHANGES ARE EFFECTIVE UPON APPROVAL; PROVIDING FOR A PENALTY CLAUSE; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT.

MPT Weber moved approval with the following change: removing the last clause providing for a penalty clause and amending the current ordinance to remove penalties for non registration and to insert a clause encouraging voluntary registration of bicycles at all bicycles shops. Second by CM Colbert..

City Attorney Green clarified the motion: The registration and license requirements in the City Code would be changed to make it a voluntary process. It would not be mandatory and therefore, it would have no criminal penalty attached. We would go ahead and authorize bike shop retailers to issue the registration and license permit, the decals. We would continue to charge the $2.00 fee to offset the administrative costs and the bike shop retailers would be allowed to keep a $1.00 of the $2.00 fee and no penalty for failure to register.

Motion unanimously approved.

B. Consider for approval an Ordinance of the City of Galveston, Texas, repealing the current provisions of Chapter 9, "Bicycles", Article II as to bicycle registration and licensing requirements; amending the remainder of Chapter 9, "Bicycles" of "The Code of the City of Galveston 1982, as amended" by clarifying language; providing that these changes are effective upon approval; providing for a penalty clause.

ORDINANCE NO. 08-000 was read by caption: REPEALING THE CURRENT PROVISIONS OF CHAPTER 9, “BICYCLES”, ARTICLE II AS TO BICYCLE REGISTRATION AND LICENSING REQUIREMENTS; AMENDING THE REMAINDER OF CHAPTER 9, “BICYCLES” OF “THE CODE OF THE CITY OF GALVESTON 1982, AS AMENDED” BY CLARIFYING LANGUAGE; PROVIDING THAT THESE CHANGES ARE EFFECTIVE UPON APPROVAL; PROVIDING FOR A PENALTY CLAUSE; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT.

WITHDRAWN

C. Consider for approval a Resolution of the City Council of the City of Galveston, Texas, approving the sale of a certain tax foreclosed property located at 4308 Winnie and referred to as property item # 520 on the tax foreclosed property list to Noel Anderwald, Jr.; property is legally described as "Part of Lot Nine (9) and all of Lot Ten (10) in Block Four Hundred Three (403) in the City and County of Galveston, Texas, said part of Lot Nine (9) being more particularly described by metes and bounds, to wit: Beginning at the Southeast corner of said Lot Nine (9), Block 403; Thence running in a Northerly direction along the Easterly Boundary line of said Lot 9, a distance of 33 feet, six inches to a point for corner; Thence running in a Northwesterly direction parallel to and 8 fee, 6 inches distance from the center line of the Galveston Western R.R. Company track as now considered 94 feet, 6 inches to the Western boundary line of said Lot 9; Thence running in a Southerly direction along the West boundary line of said Lot 9, a distance of 117 feet, 8 inches to the Southwest corner of said Lot 9; Thence running in an Easterly direction along the South boundary line of said Lot 9, a distance of 42 feet, 10 inches to the place of beginning;" authorizing Mayor Lyda Ann Thomas to execute a deed to the purchaser.

RESOLUTION NO. 08-019 was read by caption: APPROVING THE SALE OF A CERTAIN TAX FORECLOSED PROPERTY LOCATED AT 4308 WINNIE AND REFERRED TO AS PROPERTY ITEM #520 ON THE TAX FORECLOSED PROPERTY LIST TO NOEL ANDERWALD, JR.; PROPERTY IS LEGALLY DESCRIBED AS PART OF LOT NINE (9) AND ALL OF LOT TEN (10) IN BLOCK FOUR HUNDRED THREE (403) IN THE CITY AND COUNTY OF GALVESTON, TEXAS, SAID PART OF LOT NINE (9) BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS, TO WIT: "BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT NINE (9), BLOCK 403; THENCE RUNNING IN A NORTHERLY DIRECTION ALONG THE EASTERLY BOUNDARY LINE OF SAID LOT 9, A DISTANCE OF 33 FEET, 6 INCHES TO A POINT FOR CORNER; THENCE RUNNING IN A NORTHWESTERLY DIRECTION PARALLEL TO AND 8 FEET, 6 INCHES DISTANCE FROM THE CENTER LINE OF THE GALVESTON WESTERN R.R. COMPANY TRACK AS NOW CONSIDERED 94 FEET, 6 INCHES TO THE WESTERN BOUNDARY LINE OF SAID LOT 9; THENCE RUNNING IN A SOUTHERLY DIRECTION ALONG THE WEST BOUNDARY LINE OF SAID LOT 9, A DISTANCE OF 117 FEET, 8 INCHES TO THE SOUTHWEST CORNER OF SAID LOT 9; THENCE RUNNING IN AN EASTERLY DIRECTION ALONG THE SOUTH BOUNDARY LINE OF SAID LOT 9, A DISTANCE OF 42 FEET, 10 INCHES TO THE PLACE OF BEGINNING."; AUTHORIZING MAYOR LYDA ANN THOMAS TO EXECUTE A DEED TO THE PURCHASER; DECLARING FINDINGS OF FACT AND PROVIDING FOR AN EFFECTIVE DATE.

Motion to approve by CM Colbert. Second by MPT Weber. In favor: CM Beeton, MPT Weber, Mayor Thomas, CM Colbert, CM Fennewald, CM Woods. CM Mahoney out of the room and did not vote. Motion carried.

D. Consider for approval a Resolution of the City Council of the City of Galveston, Texas temporarily designating an area for overnight camping on East Beach (Apffel Park) subject to Galveston Park Board approval and regulations.

RESOLUTION NO. 08-020 was read by caption: TEMPORARILY DESIGNATING AN AREA FOR OVERNIGHT CAMPING ON EAST BEACH (APFFEL PARK) SUBJECT TO GALVESTON PARK BOARD APPROVAL AND REGULATIONS; PROVIDING FOR FINDINGS OF FACT AND PROVIDING FOR AN EFFECTIVE DATE.

Motion to approve by MPT Weber. Second by CM Colbert.

City Manager LeBlanc gave an explanation of the resolution.

Unanimously approved.

E. Consider for approval a Resolution of the City Council of the City of Galveston, Texas rescinding Resolution No. 08-013, approving the form of the Memorandum of Understanding relating to the East End Flats, to provide the Council additional opportunity to review future development of this area.

RESOLUTION NO. 08-021 was read by caption: RESCINDING RESOLUTION NO. 08-013, APPROVING THE FORM OF THE MEMORANDUM OF UNDERSTANDING RELATING TO EAST END FLATS, TO PROVIDE THE COUNCIL ADDITIONAL OPPORTUNITY TO REVIEW FUTURE DEVELOPMENT OF THIS AREA; PROVIDING FOR FINDINGS OF FACT AND PROVIDING FOR AN EFFECTIVE DATE.

CM Beeton moved approval. Second by CM Mahoney.

MPT Weber stated he was adamantly opposed to the proposed resolution.

CM Beeton gave a statement of support for the proposed resolution.

CM Mahoney stated she was opposed to the proposed resolution. She does not think the Memorandum of Understanding needs to be rescinded though there is a need to rework it.

CM Colbert said she was not prepared to vote on the proposed resolution.

CM Woods said he would abstain from voting.

CM Fennewald stated she was in favor of the proposed resolution.

Mayor Thomas spoke in support of the Memorandum of Understanding.

Billy Sullivan, Sullivan Interests, spoke in support of his family's participation in the Memorandum of Understand.

City Manager stated the CM Beeton's research on the Memorandum of Understanding was incomplete, her conclusions incorrect and her accusations insulting. The process has been fair, transparent and the public has been open to come to any of the meetings. The Sullivans got the deal fair and square. There was no inside track. He urged Council not to rescind the Memorandum of Understanding.

MPT Weber thanked the Sullivans for all they have done on the island and spoke in support of the Memorandum of Understanding.

CM Beeton said, in her opinion, the City needs to first quantify exactly what needs to be done in order to get the flats released. That is, to get professional advice about what legally has to take place in order for the federal government to release the flats to the City. Second, the City should solicit professionals for proposals to achieve that end and you don't have to promise them that they will own the asset by the end of the day. You pay them by the hour. The third thing the City needs to do is consider sources of income to pay the people it needs to hire to get the flats released and that could be many different sources. It could be 4B Sales Tax. Public workshops should be held to determine what the public's vision is for development of the flats. Then, and only then, should the City issue an RFP. Not a preliminary request for information but a formal request for proposals where we tell developers at that point that this is the asset, this is our vision for having it developed. How much will you pay us to become the owner of this 600 acres. In her opinion that is how the City should proceed. It is possible we would not have anyone who was willing to pay more than a dollar. We might have all the respondents say the cost of rehabilitating this property is so excessive that we won't pay you for it. She doesn't believe the process that the City Council is using to make decisions is a good one.

After further discussion, Mayor Thomas asked for the vote.

Those in favor of rescinding the Memorandum of Understanding between the City of Galveston and the Sullivan Interests: CM Beeton, CM Fennewald.

Opposed: MPT Weber, Mayor Thomas, CM Mahoney, CM Colbert.

Abstaining: CM Woods

Motion failed for lack of four affirmative votes. The previous Resolution No. 08:013 approving the Memorandum of Understanding relating to the development of the East End Flats and authorizing the Galveston Island Redevelopment Authority to take all necessary action to undertake the complete the obligations set forth in the MOU stand.

F. Consider for approval a Resolution of the City Council of the City of Galveston, Texas providing that any modifications or amendments to the Development Agreement between the City of Galveston and Marquette Galveston Investment, Ltd. or the Master Declaration of Covenants, Conditions and Restrictions for The Preserve at West Beach require formal written approval by the City Council prior to becoming effective; directing the City Attorney to file and record this Resolution in the Official Records of Real Property in Galveston County, Texas.

RESOLUTION NO. 08-021 was read by caption: PROVIDING THAT ANY MODIFICATIONS OR AMENDMENTS TO THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF GALVESTON AND MARQUETTE GALVESTON INVESTMENT, LTD. OR THE MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE PRESERVE AT WEST BEACH SUBDIVISION ON GALVESTON ISLAND, TEXAS, REQUIRE FORMAL WRITTEN APPROVAL BY THE CITY COUNCIL PRIOR TO BECOMING EFFECTIVE; DIRECTING THE CITY ATTORNEY TO FILE AND RECORD THIS RESOLUTION IN THE OFFICIAL RECORDS OF REAL PROPERTY IN GALVESTON COUNTY, TEXAS; PROVIDING FOR FINDINGS OF FACT AND PROVIDING FOR AN EFFECTIVE DATE.

CM Mahoney moved that any modification or amendments to the Development Agreement between the City of Galveston and Marquette Galveston Investment, Ltd. or the Master Declaration of Covenants, conditions and restrictions for the Preserve at West Beach and any other covenants and restrictions require formal written approval by City Council prior to becoming effective, etc. Second by CM Fennewald.

CM Beeton moved to amend the motion to request consent from Marquette Galveston Investment, Ltd. CM Mahoney and CM Fennewald accepted the amendment.

Vote: Motion as amended unanimously approved.

G. Consider for approval a Resolution of the City Council of the City of Galveston, Texas authorizing publication of Notice of Intention to issue Certificates of Obligation.

RESOLUTION NO. 08-022 was read by caption: AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION.

Motion to approve by MPT Weber. Second by CM Colbert.

CM Beeton clarified that approval of the resolution is not a commitment by Council to allocate the funds from the certificates of obligation to any particular project.

Motion unanimously approved.

H. Consider for approval an Ordinance of the City of Galveston, Texas, approving the Second Amendment to the Management Agreement between the City of Galveston, Texas, and Moody Gardens, Inc. for the renovation and improvement, management, operation, maintenance and related services in connection with the Galveston Island Municipal Golf Course, to delete section IV (B) of the Management Agreement as previously amended, which required an annual contribution to the City of Galveston.

ORDINANCE NO. 08-032 was read by caption: APPROVING THE SECOND AMENDMENT TO THE MANAGEMENT AGREEMENT BETWEEN THE CITY OF GALVESTON, TEXAS AND MOODY GARDENS, INC. FOR THE RENOVATION AND IMPROVEMENT, MANAGEMENT, OPERATION, MAINTENANCE AND RELATED SERVICES IN CONNECTION WITH THE GALVESTON ISLAND MUNICIPAL GOLF COURSE TO DELETE SECTION IV(B) OF THE MANAGEMENT AGREEMENT, AS PREVIOUSLY AMENDED, WHICH REQUIRED AN ANNUAL CONTRIBUTION TO THE CITY OF GALVESTON; AUTHORIZING THE CITY MANAGER TO EXECUTE THE SECOND AMENDMENT TO THE MANAGEMENT AGREEMENT; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT.

Buddy Herz, Attorney representing Moody Gardens, asked Council to approve the proposed ordinance. If the ordinance is approved, the first payment will be due September 30, 2012.

Motion to approve the ordinance approving the second amendment to the management agreement between the City and Moody Gardens and delaying the provisions of Section IV.B of the Management Agreement so that the first payment would not be due until September 30, 2012. Second by CM Woods. Unanimously approved.

12. ACTION ITEMS

A. Consider for action approving primary windstorm property insurance to Galveston Insurance Associates (GIA) second of three-year proposal RFP #06-07-007 for the premium of approximately $280,118.00, to include increased cost of construction (ICC 25%) effective June 1, 2008-June 1, 2009. Funding source is Windstorm Insurance Account.

B. Consider for action approving accepting low bid #07-08-027 from Mercer Construction, Edna, Texas, low bidder of five, for construction of Palm Beach Infrastructure Improvements. The cost for this project will not exceed $2,047,508.70. Funding sources are Water Improvement Fund, Streets and Drainage IDC Fund and Sewer IDC Fund.

Motion to approve by CM Weber. Second by CM Woods.

Mr. LeBlanc reviewed 12.B.

CM Beeton stated she was opposed. There should be standards and criteria established before waiving provisions usually imposed on developers.

Bruce Reinhart gave the background of the project.

After discussion, Mayor Thomas called for the vote.

In Favor: CM Mahoney, MPT Weber, Mayor Thomas, CM Fennewald, and CM Woods. Opposed: CM Beeton. Motion approved.

CM Beeton stated for the record that the reason she voted against the item was that when the City is doing something different for a developer, she would like it to be done pursuant to standards and criteria that have been published.

C. Consider for action approving acceptance of proposal from Toter Incorporated for the purchase of 500 EVR I Series automated rollout garbage carts in the amount of $23,240.00. Funding source is Sanitation Other Contracts Account.

D. Consider for action approving awarding a three-year contract to lowest bidder, bid #07-08-031, Eastex Environmental Lab for laboratory testing for the Municipal Utilities Division in the amount of $53,193.00. Funding Source is Municipal Utilities Laboratory Testing Account.

E. Consider for action approving acceptance of proposal of Environmental Institute of Houston for pollutant source testing, as well as analyzing the effectiveness of the Solarbee in Lake Madeline. The cost will not exceed $24,501.00. Funding source is Sewer Improvement Account.

F. Consider for action approving accepting low bid, bid #07-08-029, from Teamwork Construction Services of Pasadena, low bidder of five, for the CDBG Grant Fund Project - Sidewalk, Handicap Ramps in the Scott Renaissance Zone Project. The cost of the project will not exceed $62,845.00. Funding source is CDBG Grant Account.

G. Consider for action approving appropriation of $30,000.00 of additional funding sources for the McGuire Dent Recreation Center Project to allow for City public work crews to purchase materials and install water line, fire line and sewer line service to the recreation center, allocation of 2001 GO Bond Funds Capital Projects Original Proceeds, Account #3200-544172-544125.

H. Consider for action approving purchase of three new John Deere tractors with mowers for the Airport to be purchased from C&E Equipment (John Deere) through TASB-Buy Board for a total price of $114,696.00. Funding source is Vehicle Capital Outlay Account.

I. Consider for action approving acceptance of thirty-six month contract, bid # 07-08-010 from Village/Chalmers Hardware for the purchase of hardware items. Funding source is Various City Departments.

J. Consider for action approving accepting highest bid in the amount of $65.00 per vehicle from Marty's City Wrecker for the removal of junk vehicle abatement on private property and authorizing the City Manager to sign the contract.

K. Consider for action approving request for funding assistance for the Historic Downtown

Galveston Partnership to host the 2008 Galveston Island Bicycle Day in an amount to be determined by City Council. Funding source is the Special Event Fund.

L. Consider for action authorizing the City Manager to submit a formal, written request on behalf of the City of Galveston to the Texas General Land Office (GLO) with a copy to Texas Land Commissioner Jerry Patterson to request the GLO to hold a public local hearing in the City of Galveston, Texas, on the GLO's proposed rules published in the Texas register on May 16, 2008 relating to amendments and additions to the GLO Beach/Dune Rules, Subchapter A of Chapter 15 of Title 31 of the Texas Administrative Code and amendments to 31 T.A.C. § 15.41; to request an extension of time for public comment; to request a statement of the reasons for and against GLO's adoption of the proposed rules and associated matters.

M. Consider for action approving an engagement letter with Arthur Val Perkins with the law firm of Coats Rose for representation on matters relating to Municipal Utility District (MUD) #29.

N. Consider for action authorizing additional funding for defense representation by David Salyer with the law firm of McLeod, Alexander, Powel & Apffel PC in the matter styled Christopher Columbus Street Market LLC; Alfio Fichera and Ed Eubanks v. the City of Galveston, Texas.

O. Consider for action authorizing the expenditure of $50,000 with additional funding assistance from the TML IRP to settlement of the lawsuit styled Renaye Ochoa v. City of Galveston; In the 212th Judicial District Court of Galveston County, Texas. City portion of settlement funding from Insurance Internal Service Fund account #50301-811567-534033.

P. Consider for action requesting the Planning Commission to review and provide City Council a recommendation regarding amending the Zoning Standards, Section 29-107, Height and Density Development Zone, to remove the Specific Use Permit option for taller and more dense structures and to include the property commonly known as the Flagship Hotel within the zone boundaries.

Motion to approve by CM Beeton. Second by CM Fennewald.

MPT Weber stated he was opposed to the change.

CM Beeton said she did not think the people got what they wanted and that is why it is important to go back and try to fix it.

Mr. LeBlanc said staff did not support the proposed change.

Mayor Thomas said she would oppose the change.

CM Colbert clarified that Council could look at this issue again after the current plan has been in effect for a while.

CM Mahoney said she would like to know what the standards are before changing the plan.

Vote: In favor: CM Beeton Opposed: CM Mahoney, MPT Weber, Mayor Thomas, CM Colbert, CM Woods, CM Fennewald. Motion failed.

Q. Consider for action approving funding for the Galveston Island Nature Tourism

Council to host two nature Exploration Days at East Lagoon on June 14, 2008, and on September 20, 2008, in an amount to be determined by City Council. The requested funding is $1,250.00 for each event. There are no city services involved. Funding source is Special Events Fund.

R. Consider for action authorizing the City Manager to execute a Thirteenth Amendment to the Moody Gardens Lease and approving the Fourth Amendment to the Assignment, Modification and Consent Agreement, between the City of Galveston, Texas, the Park Board of Trustees, and Moody Gardens, Inc. to extend the term of the lease and the assignment for the maximum forty (40) year term to take effect on the date of opening a new attraction at Moody Gardens, being the sixth phase of construction, to be the Arctic Exhibit, subject to the approval of the City Attorney.

Doug McLeod, Chairman of the Board of Moody Gardens, requested the following change on Page 2. 5th Whereas instead of "A new addition/attraction" it shall read "on an Arctic Exhibit Attraction." Below the 6th Whereas change the paragraph beginning "Now Therefore" to read "to construct an Arctic Exhibit Attraction as described above."

Motion to defer by CM Fennewald. Second by CM Mahoney. In favor: CM Fennewald. Opposed: CM Mahoney, CM Beeton, MPT Weber, CM Colbert, CM Woods, Mayor Thomas. Motion to defer failed.

Motion to approve with the amendments by MPT Weber. Second by CM Fennewald. Unanimously approved.

S. Consider for action authorizing the City Manager, as part of the Broadway Beautification Project, to notify TXDOT that the oak tree located on the east side esplanade at 18th and Broadway, not be removed and to substitute grass sod being laid in the east side esplanade bull nose rather than the brick pavers originally designed.

CM Colbert moved to approve Action Items A, C, D, E, F, G, H, I, J, K, L, M, N, O, Q, and S. Second by CM Fennewald. Vote: In favor: CM Mahoney, CM Beeton, MPT Weber, CM Colbert, CM Fennewald. Out of the room and not voting: Mayor Thomas, CM Woods. Motion approved.

13. MAYOR AND COUNCIL APPOINTMENTS

<u>Galveston Housing Authority - Mayor's appointment</u>
Mayor Thomas stated she was appointing Raymond Lewis and Juan Gonzales

<u>Galveston Island Redevelopment Authority Board of Directors</u>
CM Beeton said she did not think it was appropriate to have the Director of the GEDP on the RDA Board. She also stated the City Manager LeBlanc had said he was resigning from the board. She proposed to appoint CM Woods to Position No. 1 and CM Beeton to Position No. 2 and retain Andy Odom in Position No. 3 and Wendy O'Donohoe in Position No. 4. There is a vacancy in Position No. 5. Then solicit from the public applications to serve on the RDA.
CM Colbert that she would like to know more about the RDA and have some criteria in terms of experience developed before making a change. She would like to defer.
Mayor Thomas said criteria needed to be developed

MPT Weber said he would like to defer.
Mr. LeBlanc said Director of Planning and Community Services Wendy O'Donohoe wanted to be removed from the RDA Board and he also would like to resign.
CM Beeton moved to appoint CM Woods to Position No. 1 and CM Beeton to Position No. 4. Second by CM Woods. Vote: In favor: CM Beeton, CM Woods, CM Mahoney, CM Fennewald. Opposed: Mayor Thomas, MPT Weber, CM Colbert. Motion approved.

Council Ex-Officio appointments

Mayor Thomas	Finance and Fiscal Affairs Committee, Wharves Board of Trustees, Galveston Port Facilities Corporation, Broadway Beautification, Galveston Economic Partnership Board CM Fennewald moved to approve. Second by CM Colbert. Unanimously approved.
MPT Weber	Park Board of Trustees, Building Board of Adjustments, EMS, TIRZ 14 and Galveston Housing Finance Corp./Galveston Property Finance Authority CM Fennewald moved to approve. Second by CM Colbert. Unanimously approved.
CM Woods	Galveston Housing Authority, Tax Foreclosure Committee
CM Mahoney	Airport Advisory Committee, Animal Shelter Advisory Committee, TIRZ 14, Beach Erosion Task Force Committee, Parks & Recreation Board
CM Colbert	Ethics Commission
CM Fennewald	Comprehensive Plan
CM Beeton	Industrial Development Corporation, Planning Commission, Finance and Fiscal Affairs Committee

CM Fennewald moved to accept the appointments as listed for Tarris Woods, Karen Mahoney, Linda Colbert, Susan Fennewald and Elizabeth Beeton. Seconded by MPT Weber. Unanimously approved.

14. MAYOR, COUNCIL AND CITY MANAGER REPORTS
CM Mahoney moved to bypass the reports. Second by CM Fennewald. Unanimously approved.

City Manager LeBlanc wished his parents a Happy Anniversary.

15. N/A

16. N/A

17. ADJOURNMENT
There being no further business to come before the assembly, the meeting was adjourned at 9:45 p.m.